

Macpherson Donald G
 Form 4
 December 14, 2012

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

OMB APPROVAL
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 Macpherson Donald G

2. Issuer Name and Ticker or Trading Symbol
 GRAINGER W W INC [GWW]

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)

(Last) (First) (Middle)
 100 GRAINGER PARKWAY
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 12/13/2012

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 Sr. VP, Global Supply Chain

LAKE FOREST, IL 60045-5201
 (City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | (A) or (D) Price | | | |
| Common Stock | 12/13/2012 | | M ⁽¹⁾ | 3,000 A | \$ 81.49 29,016 | D | |
| Common Stock | 12/13/2012 | | S ⁽¹⁾ | 200 D | \$ 191.01 28,816 | D | |
| Common Stock | 12/13/2012 | | S ⁽¹⁾ | 100 D | \$ 191.02 28,716 | D | |
| Common Stock | 12/13/2012 | | S ⁽¹⁾ | 200 D | \$ 191.3 28,516 | D | |
| Common Stock | 12/13/2012 | | S ⁽¹⁾ | 100 D | \$ 191.49 28,416 | D | |

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| | | | | | | | |
|--------------|------------|--------------|-----|---|-----------|--------|---|
| Common Stock | 12/13/2012 | <u>S</u> (1) | 100 | D | \$ 191.51 | 28,316 | D |
| Common Stock | 12/13/2012 | <u>S</u> (1) | 100 | D | \$ 191.54 | 28,216 | D |
| Common Stock | 12/13/2012 | <u>S</u> (1) | 100 | D | \$ 191.55 | 28,116 | D |
| Common Stock | 12/13/2012 | <u>S</u> (1) | 100 | D | \$ 191.56 | 28,016 | D |
| Common Stock | 12/13/2012 | <u>S</u> (1) | 100 | D | \$ 191.58 | 27,916 | D |
| Common Stock | 12/13/2012 | <u>S</u> (1) | 100 | D | \$ 191.61 | 27,816 | D |
| Common Stock | 12/13/2012 | <u>S</u> (1) | 100 | D | \$ 191.62 | 27,716 | D |
| Common Stock | 12/13/2012 | <u>S</u> (1) | 100 | D | \$ 191.64 | 27,616 | D |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Option | \$ 81.49 | 12/13/2012 | | <u>M</u> (1) | 3,000 | 04/29/2012 04/28/2019 | Common Stock | 3,000 |
| Option | \$ 108.15 | | | | | 04/28/2013 04/27/2020 | Common Stock | 29,000 |
| Option | \$ 149.02 | | | | | 04/27/2014 04/26/2021 | Common Stock | 24,876 |
| Option | \$ 204.01 | | | | | 04/25/2015 04/24/2022 | Common Stock | 16,923 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-----------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Macpherson Donald G 100 GRAINGER PARKWAY LAKE FOREST, IL 60045-5201 | | | Sr. VP, Global Supply Chain | |

Signatures

Aimee M. Nolan, as
attorney-in-fact

12/14/2012

__Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
 - ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Transaction pursuant to a previously adopted Rule 10b5-1 trading program.

Remarks:

This is the first of two Forms 4 to report all December 13, 2012 transactions for the reporting person.
Exhibit List - Exhibit 24 - Power of Attorney

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
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